for shorter periods was awarded to some other brokers depending on the extent of their involvement. In the second phase of investigation, which was completed in January, 1999, President of BSE was asked to relinquish the office, the Vice President and Executive Director of BSE resigned following investigations. The Executive Director was also debarred from holding public office in any capital market related public institution for a period of three years. In the third phase, investigations were completed against Harshad Mehta, BPL, Videocon and Sterlite by October, 1999. Show cause notices were issued to them in December, 1999. The parties were given opportunity of final hearings in the month of March/April 2001. Pursuant to the hearings, SEBI passed orders on 19.4.2001 debarring BPL Ltd., Videocon International Ltd. and Sterlite Industries Ltd. from accessing the capital market for a period of 4 years, 3 years and 2 years respectively, under section 11 and 11B of the SEBI Act. Prosecution proceedings through some of their directors/officials were ordered under section 24 of SEBI Act for violation of SEBI Act and SEBI (Prohibition of Fraudulent and Unfair Trade Practices for dealing in securities) Regulations. Harshad Mehta has been permanently debarred from dealing in securities and his prosecution has also been ordered.

(d) and (e) SEBI has intimated that a press release on the action taken by SEBI in this regard was put on SEBI's website following issue of SEBI's order dated 19.4.2001.

Aftermath of VRS

1027. SHRI DIPANKAR MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-items captioned "A run on Banks—the immediate aftermath of VRS has been bleeding bottom lines and manpower shortage" appearing in Outlook dated 2nd july, 2001; and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Yes, Sir.

(b) The Voluntary Retirement Scheme was designed with the

in-built condition of right-sizing the manpower without affecting the functioning of the banks adversely. The expenditure incurred on the Voluntary Retirement Scheme is more or less off set from the saving of the salary of the employees retired under Voluntary Retirement Scheme.

Replacement of BIFR and SICA

1028. SHRI RAJU PARMAR:
SHRI BRATIN SENGUPTA:

Will the Minister of FINANCE be pleased to refer to the answer to Starred Question No. 343 given in the Rajya Sabha on 20th March, 2001 and state:

(a) by when a new legislation for replacement of Board for Industrial and Financial Reconstruction and Sick Industrial Companies (Special Provisions) Act is likely to be introduced in Parliament;

(b) what will be its *modus operandi*; and

(c) in what manner the cases pending before Board for Industrial and Financial Reconstruction are likely to be disposed off?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHNDRAN): (a) The proposal to repeal Sick Industrial Companies (Special Provisions) Act, 1985 and amendments to Companies Act, 1956 are under active consideration of the Government. Efforts are being made to introduce the Bill in the current session of Parliament.

(b) The proposed new law envisages to set up a National Tribunal with the functions and powers presently exercised (a) by Company Law Board (b) by High Courts in regard to winding up of companies, amalgamation schemes or arrangement matters and (c) by the Board for Industrial & Financial Reconstruction (BIFR) and Appellate Authority for Industrial & Financial Reconstruction (AAIFR) under Sick Industrial Companies (Special Provisions) Act, 1985 for rehabilitation of sick industrial units.

(c) The pending cases before BIFR would be dealt with accordance with the provisions of new law as and when enacted.